



General Assembly

**Substitute Bill No. 702**

February Session, 2008

\* SB00702FIN\_040208 \*

**AN ACT CONCERNING TAXPAYER PRIVACY RIGHTS AND RIGHTS  
IN TAX ASSESSMENT, COLLECTION AND ENFORCEMENT  
PROCESSES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-15 of the general statutes is amended by adding  
2 subsection (i) as follows (*Effective October 1, 2008*):

3 (NEW) (i) In the event that the commissioner acquires knowledge  
4 that a return or return information maintained by the commissioner, or  
5 any contractor of the commissioner, in any electronic files, media,  
6 databases or computerized data containing return information, has  
7 been or may become subject to access by, or disclosed to, any person  
8 not authorized to receive such return or return information pursuant  
9 to this section, the commissioner shall provide written notification of  
10 such fact to any taxpayer who is the subject of such return or return  
11 information. Such notification shall be made without unreasonable  
12 delay, except that such notification may be delayed for a reasonable  
13 time if a law enforcement agency determines that such notification  
14 may impede a criminal investigation and such law enforcement agency  
15 requests that the commissioner delay such notification. Any such  
16 delayed notification shall be made after such law enforcement agency  
17 determines that such notification will not compromise the criminal  
18 investigation and so notifies the commissioner of such determination.  
19 Promptly upon discovery of an unauthorized access to or disclosure of

20 a return or return information, the commissioner shall confer with the  
21 Secretary of the Office of Policy and Management to determine what  
22 actions the state should take, if any, to mitigate any adverse  
23 consequences taxpayers may incur as a result of such unauthorized  
24 access or disclosure.

25 Sec. 2. Section 12-39l of the general statutes is repealed and the  
26 following is substituted in lieu thereof (*Effective from passage and*  
27 *applicable to any tax appeal pending on or after such date*):

28 (a) Except as otherwise provided by statute, "tax appeal" means an  
29 appeal from an order, decision, determination or disallowance of the  
30 Commissioner of Revenue Services; an appeal that may be taken from  
31 a decree of a court of probate under subsection (b) of section 12-359,  
32 subsection (b) of section 12-367 or under subsection (b) of section 12-  
33 395; an appeal from any order, decision, determination or disallowance  
34 of the Secretary of the Office of Policy and Management pursuant to  
35 sections 12-242gg to 12-242nn, inclusive; and an appeal that may be  
36 taken from a decision of the Penalty Review Committee under  
37 subsection (d) of section 12-3a.

38 (b) The Chief Court Administrator shall appoint two judges of the  
39 Superior Court to hear tax appeals. If practicable, the judges shall hear  
40 the appeals for not less than eighteen months. The appeals may be  
41 heard at the judicial district that the Chief Court Administrator deems  
42 appropriate.

43 (c) The Chief Court Administrator shall adopt the policies and  
44 procedures necessary to implement the provisions of this section.

45 (d) Except as otherwise specifically provided by statute, the burden  
46 upon a taxpayer of proving questions of fact in any tax appeal shall be  
47 by a preponderance of the evidence.

48 Sec. 3. Subdivision (3) of section 12-39n of the general statutes is  
49 repealed and the following is substituted in lieu thereof (*Effective*  
50 *October 1, 2008*):

51 (3) The right to be represented or advised by counsel or other  
 52 qualified representatives at any time in administrative interactions  
 53 with the department, including the right to have a timely copy of any  
 54 notice, as provided in section 12-2f, sent to such counsel or other  
 55 qualified representative who has filed a properly executed power of  
 56 attorney with the department for the type of tax and tax period that is  
 57 the subject of such notice and the right to have audits, inspection of  
 58 records and interviews conducted at reasonable times and places.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	12-15
Sec. 2	<i>from passage and applicable to any tax appeal pending on or after such date</i>	12-39l
Sec. 3	<i>October 1, 2008</i>	12-39n(3)

**FIN**      *Joint Favorable Subst.*